App.F.IX-4]

1924-5 (G.F. Revenue)

File No. G.F. 225-24

Serial Nos. 2+3

Previous References.

G.F. 225-24-1.

Cf/ Rr 284/25-26

Later references.

L.R. 300-27 (1-2)

— " — (3-4)

Rr 170-32 (1-2)

GENERAL & REVENUE SECRETARIAT

G.F. 421-41 (1-2)

Serial Nos. 2

(P.W.D./F.)

Part B for December 1925.

SUBJECT.

Forwards a draft form of Capital and Revenue Accounts for 1923-24 of the Krishnarajasagara Hydro-Electric and Irrigation Works.

Secs. 3.

To The Comptroller to Govt.
The Secretary to Govt. PWD
The Special Officer KRS Works
The Chief E.E. Engineer
The Rev. Commissioner

No. FL 3406-10 dt 14th Dec 25

Issues instructions for the preparation of

2626.

General and Revenue Secretariat.

G.F. File No. 225 of 19 24.

Serial No.

1. No 2L 527 of dy 27.3.25 to the Compte Special Offrs, K.R.S, Chief Elec. Engineer, Basra: Orders regarding the alteration of Budget heads.

The Kind Reference is requested to para 1 of 2L Secys Note dy 19.2.25 at page 2 supra. Now that the revision of Budget heads is decided, items 2, 3 & 4 in para 3 of the Compte's letter dy 28.1.25 require consideration & disposal.

2. The opinion of the P.W. Secy & K.R.S Special Offrs Engr. be invited in the instance on the Compte proposals at paras 5 & 7 of the letter.

3. The opinion of the Rev. Dept. also on the question of transfer to the head K.R. & Receipts of the 4½ in the Consolidated Net Assessment of the Water Rate of Rs 5 per Acre for Sugarcane Cultivation Rs 3 for Maize Crop, raised in para 7 of the letter.

4. Subject to the reply with regard to the Secys Notes on the previous page

5. The opinion of the Rev Secretary may be obtained as regards the transfer of Irrigation revenue merged in Land Revenue in the first instance and then the question of Capitalisation of Rev accounts forms Coincid. with Finance & this Dept.

NOTE–Contn. Sheet

17.4.25

Secy)

Serial No.

4 The second question which was raised by the Comptroller in his letter dated 28th January 1925 and which has now to be settled is the preparation of annual accounts of the combined Project.

5 Under the existing system, Capital and Revenue Accounts are compiled for the Krishnarajasagara Works and more or less the same matter relating to the Electrical Department is given in somewhat different forms in the Finance & Revenue Accounts. I think that it is well to reduce the results of working of the combined Concern to the form of a regular Capital and Revenue Account, and these accounts may be incorporated in the Finance & Revenue Accounts. Although the two Works have now been fused into one, the Capital Account of the combined Project will continue to record separately the transactions of the two parts -- Electrical Works and Irrigation Works. Independent accounts of the different Capital parts have accordingly to be prepared and support the totals brought out in the aggregate Accounts. Where the present ~~xxxxxx~~ accounts of the Electrical Department give more details than the corresponding statements in the Capital and Revenue Accounts, it would be well to continue to give such details. To give the Irrigation and Electrical Departments an idea of the accounts as they would stand according to the proposal made above, it would be well to prepare a sample account and send it to them to see if it

Serial No.

it will answer all their purposes. I would, therefore, request the Comptroller to be so good as to arrange for a draft Capital & Revenue Accounts being prepared for the combined Concern for 1923-24. Difficulties are likely to be felt i in the preparation of the proposed Accounts and it is better therefore to attempt the compilation, ascertain the difficulties and solve them.

46 The Irrigation revenue creditable to the combined Concern still continues to be shown in the Estimates and Accounts under the head 1.Land Revenue. This is not a correct representation of the position. The Concern is a commercial one and its irrigational revenue should be shown under it by a corresponding reduction under the head 1. Land Revenue. What are the items which have thus to be transferred to the Revenue Account of the combined Concern, what registers and accounts should be kept by the Revenue Department for making the information in this respect reliable and readily available, and which are the officers that should be held responsible for timely submission of these particulars for purposes of Estimates and Accounts are points to be settled by the Revenue Department.

47 How the Irrigation Cess levied on the lands drawing their supplies from this Reservoir and the expenditure to be met from such Cess should be dealt with is another point to be settled. Whether this Cess should continue to be credited

NOTE-Contn. Sheet

credited to the Cess Fund head and the outlay to be met from it also debited to the same head, or, whether the Cess may be treated as part of the normal revenue of the combined Concern so that its annual Revenue Accounts may be made complete including the charges to be met from the ~~special~~ special Cess levy are also points to be settled in consultation with the Revenue Department. ~~Similar~~ Same Maintenance charges are now debited to the head 23. Irrigation Works, but they should strictly be accounted for under XXV. Krishnarajasagara Hydro-Electric and Irrigation Works.

Serial No.

of these Channels

H.W.C.W.-24

1924/4/25

COMPTROLLER 27 APR 1925 BA 2.6.248.

1739 WAD I 27/4/25

HC The above note is forwarded with compliments to the Comptroller with reference to the suggestion for the preparation of a draft Account for the year 1923-24. After the file is received back, the points relating to the Irrigational Revenue of the Project and the charges to be met from it will be further pursued in consultation with the Administration Department.

45373

24.4.25

HC U.O.No.1412 WAD.I. dated 7-5-25.

Noted and returned with compliments. The draft account for 23-24 will be compiled and submitted in the course of a fortnight.

2.6 No. 24

CENTL. REV. SECTT. 8. MAY 1925 C. D. SECTION.

Comptroller.

7.5.25

NOTE—Contn. Sheet

MSR

8/5/25

21.5.25

General and Revenue Secretariat.

G.S. File No. 225 of 19 25.

Serial No	
	No 15424/I&AD/I dt 9.6.25 from the Compt stating that the financial statement of the Combined project will be sent up before the close of the Current month. Submitted for perusal with a view to note orders. SK 9/6 5/7/25
2	No 196/I&AD.I dt 18.6.25 from the Compt forwards a draft form of Capital & Revenue Accounts. Submitted for orders with reference to the Secy's observations at Para 4 & 8 above. The Compt requires early orders on the points raised in this Official letter. As per remarks in the para 4 & 8 above, these points have to be pursued in consultation with the Administrative depts concerned. Submitted for orders. SK 26/6 27/6/25
	The Secy. 54 Forwarded with compts to the Secy to Govt I.R.S and Electrical depts for favour of an expression of views on the form of the combined accts and on the points relating to irrigational revenue and charges referred to by the Compt. The favour of early disposal is requested. Dated 29.6.25

Sent 29/6/25

20.6 H. 29-25

25 29/8/25

NOTE—Contn. Sheet

P.W.D.

Public Works Secretariat.

Ex. 1257

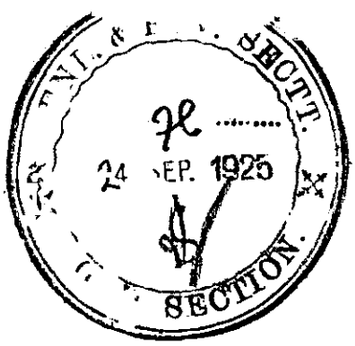
K. 14288

16

File No. of 192 .

U.O. No. 5/Kss of 25-26.

Serial No.



Capital and Revenue Account Form.

55 Returned with compliments to the Financial Secretary with remarks with regard to ~~each column~~ the form proposed by the Comptroller for the Capital and Revenue Account of the K.R.Sagara Hydro-Electric and Irrigation Works

---

"a"

56 Cols. 1 and 2.- No remarks.

57 Col. 3.- I think the Capital outlay on the Dam Works should be shown separately because the reservoir is common to both Electrical Works and Irrigation. This proposal has been agreed to in Government Order No.Fl.5278-80 dated 27th March 1925. In the sample form now prepared in this office and placed in the file, Col.3 is split up into two with headings "Dam" and "Irrigation". I think also indirect charges under Dam and irrigation should be separate as such charges under dam are considerable.

58 Cols. 5 and 6.- No remarks.

59 Col.7.- This column may include the total Gross revenue from the Power Works without deduction of share creditable to K.R.Sagara since a combined account is to be maintained.

NOTE—Contn. sheet.

W.D. 02654 GPB 0091 17—4—24

Col.8.- which shows the share of gross revenue creditable to K.R.Sagara may be omitted.

Col.9.-Gross Revenue collected with Land Revenue.

It is understood that the amount is furnished by the Revenue Department. The item -- should include the following:- A reference will be made to the Revenue Department on this ~~letter~~ matter. In the meanwhile the items are given for the Comptroller's information.

1). Water rate for lands brought under irrigation by the two Low Level Canals from K.R. Sagara, Chamaraja Right Bank Channels and the extensions of Mandagere and Hemagiri Channels, as ordered in G.O. No R 2858-61/LR 295-13-2 dated 27th September 1913, and G.O.No R 6894-99/LR 12-24-20 dated 20 May 1925.

2). In cases where wet assessment on such lands has been settled, I think the water rate should be separated and credited to K.R.Sagara and not 4/5th of wet assessment.

3). Credit should be given for other items of revenue such as,-

(a). Extra assessment due to summer supply for ~~irrigat~~ sugarcane and manurial crop in the non-mamool area.

(b). Temporary Revenue such as those from lands compensated already but given for cultivation temporarily.

Serial No.

4). The credit under Irrigation Cess should be according to the Government Orders on the subject. The present practice in this connection seems to be as follows:-

95% of the amount collected in the District is allotted to the District and Government contribute from State Funds 60% of the maintenance cost of channels and 18% of the outlay for establishment and tools and plant. (Please vide G.O.No.R.5975-85/L.R.224-24-9 dated 4th April 1925 and G.O.No.R.9458-9/L.R. 69-20-4 dated 24th February 1921).

62 Col.10.- No remarks.

63 Col.11.- No remarks.

64 Col.12.- It is noted that the annual maintenance cost of the new channels is included in this Col. It seems desirable to show the maintenance charges on the Dam separately in one column and the maintenance charges for irrigation in another column.

65 Col.13.- It is not understood what items have been included in the indirect charges under Irrigation and how the amount has been arrive at.

66 Col.14.- No remarks.

NOTE.—Contn. sheet.

W.D. 62634 G1-B (001) 17—4—24

Cols.15 to 19.- No remarks.

Col.20.- It is desirable to show the interest charges on the Capital outlays on the Dam and Irrigation separately.

Col.21.- No remarks.

Cols.22 to 25.- No remarks.

How the credit due to recovery of contribution is to be shown is not explained. Since there are likely to be recoveries of this kind for a long time, the item has to be shown properly in the accounts.

as suggested

A modified form forwarded herewith --- shows the additional columns proposed.

V. R. Seshachar

Secretary to Government,
K. R. S. Works.

23/9/

Serial No

23 The views of the Rev Department are necessary on the points raised in paras 46 & 47 of the Finl Secy's note dated 24.4.25 and in para 61 of the P.W. Secretary's on the draft Capital & Rev. Account Form before further action can be taken on the Comptr. Offrs refce. If approved this will be sent to the Rev Sects for expression of their views in the matter.

Subj. A copy of the P. & R. accounts for 22-23. Sput

Refd 3/10/25

The main chnge proposed is showing the capital expdre on Dam works separately The Secy K.R.S works has accordingly opened out a column for 'Dam works' under each of the items Capital outlay, working expenses, & Simple Interest. This may be approved. Perhaps the Comptroller's opinion may also be invited. I thought there was only ideal of generating Elecy by having some turbines & connected plant on the dam. I thought also that some expdre had been incurred on this a/c. Hence the receipts & expdre on this a/c has to be noted in the present statement has not been discussed. Perhaps the question may be taken up at a later stage.

The views of the Rev. dept re-

Serial No

Items of Revenue to be Credited to This account may now be inserted. Vide para 61 of the notes.

In para 71 the P.W. Sec'y states that it has to be explained how the credits due to recovery of contributions has to be treated. It has already been decided that acreage contributions should be taken as reducing Capital expenditure and therefore these receipts may be deducted from the Capital outlay on 'Irrigation' by opening a new column after 3. as Deduct 'acreage contributions' net Irrigation Capital † ~~renumbering the Columns~~ (The columns may be suitably renumbered.) The Comptroller's opinion may perhaps be invited and the file then sent to the Rev Comm'r for remarks re- points raised in para 90

B
18/10

A

Find Seer)

76

Column 3.- The Public Works Secretary suggests that the capital expenditure on the Dam may be shown in a separate column ~~under Irrigation Capital~~. The Dam is that part of the project which is common to both the Electrical and Irrigation branches. It is not therefore right to classify the outlay on Dam as Irrigation expenditure as has now been done by the Comptroller. As suggested by the Public Works

Serial No

Secretary it is necessary to show the expenditure on the Dam proper under a separate column even in the abstract statement.

77 I believe the outlay on Dam Works includes some expenditure on Electrical plant, Penstock etc. Strictly, it ~~may be~~ should be necessary to separate this expenditure also from the capital outlay on Dam proper and treat it as expenditure on Electrical Works.

78 Columns 7 and 8.- The Comptroller has himself suggested the omission of column 8 and the incorporation of the figures now shown in it with those in column 7. The suggestion of the Public Works Secretary may be given effect to.

79 Column 9.- What are the items of revenue which are collected with land revenue but which belong to this project is a point which requires separate consideration in consultation with the Revenue Department. The Public Works and ~~the~~ Revenue Departments have to come to an understanding in regard to the items of revenue to be credited to this project. Satisfactory arrangements have to be made to ensure that the information supplied in this respect by the District Revenue authorities is reliable. It may also be necessary to arrange for a periodical audit of the connected accounts kept in the Revenue Department to see that all the revenue attributable to the project is collected in time and transferred to its revenue account. Orders have also to be

Serial No.

be issued authorising the formal transfer of these items of revenue from (I) Land Revenue to (XXV) Krishnarajasagara Hydro-Electric and Irrigation Works.

The settlement of these points is likely to take much time and I would, therefore, suggest that the information now given by the Land Acquisition Officer in respect of irrigation revenue may be accepted for the purpose of the Accounts for 1923-24. The points to be settled may be taken up with the Revenue Department and if the figures are found to require any alteration, the necessary changes may be made in the Capital and Revenue Accounts for 1925-26. 80

How the irrigation cess collected on the lands below the channels under this reservoir should be dealt with is the next point to be considered. This cess is strictly an item of revenue of the project and has to be taken as such in its Capital & Revenue Accounts. Similarly, the outlay met from the cess should also be included in the Revenue Account of the project. The question to be considered is whether the cess should continue to form part of a separate head and ~~it~~ its balance shall be ear-marked for maintenance purposes. If this object should be kept in view, it will be necessary to have a separate Fund ~~head~~ for the irrigation cess of the channels under this reservoir and include its annual transactions in the Capital and Revenue Accounts of the project with 81

Serial No

with a view to make them complete. I am not, however, sure if it is quite necessary to resort to any such ear-marking procedure. It would simplify accounting and administration if the cess attributable to these channels is credited to the Revenue Account of the project and the outlay on maintenance, whatever its relation to the cess realisation, is also charged to the same account. This is another point about which it is necessary to consult the Revenue Department. 8/A Under the existing orders, sixty per cent of the cost of maintenance of river channels is borne by Government in the form of a grant-in-aid to the Irrigation Cess Fund. This concern is a productive ~~exm~~ work and there can be no justification for allowing a subvention from General Revenues to it. For this reason the general arrangement allowed in regard to other river channels need not be adopted in the case of these channels.

82. Column 12.- The maintenance charges of the Dam and the Channels may be shown separately as suggested by the Public Works Secretary.

83. Column 13.- What is shown here is the contribution on account of leave and pension of permanent officers employed on this work.

84. Column 20.- I do not think it is necessary to make a separate calculation of interest on the outlay on ~~the~~ Dam Works. In fact, there is no object in making a separate calculation of interest even on Irrigation and Electrical outlay.

Serial No.

It would be enough if only one column is provided for for showing the interest on the aggregate capital under all capital heads.

85. As regards the question of contribution raised by the Public Works Secretary, it may be stated that it is taken in reduction of the capital outlay on the respective channels. The statement sent by the Comptroller is an abstract one and there will be several subsidiary statements in support of it. In the subsidiary statement giving particulars of ~~the~~ capital outlay on the several channels, the gross outlay will first be shown and the contribution, which is a capital receipt shown as a minus entry reducing the capital cost.

I Forwarded with compliments to the Secretary, Public Works and Electrical Department for favour of opinion on the points mentioned in paras 77, 79, 80, 81, 81A ~~82~~ 84. and 85

87 The favour of very early disposal is requested.

26

PWD no: 6/Miss/25-26

18223

Serial No.

88 Returned, with compliments, to the Financial Secretary to Government.

892. I have no remarks to offer on the proposals made in paragraphs 77,79,80,81,84 & 85 The proposal in para 81~~A~~, requires consideration in the light of the following observations:-

90 Vani Vilas Sagara is one of the irrigation works for which Capital and Revenue Accounts are being maintained.

91 In Government Order No.R.6311-14/L.R. 208-16-4 dated 19th December 1916, Government have ordered that 40 per cent of the cost of maintenance of the Marikanave Channels may be debited to State Funds, the amount so debitable being shown both under receipts and expenditure as in the case of the cost of maintenance of the river channels in the Mysore and Hassan Districts.

92 Subsequently this order has been revised ~~further~~ percentage share of State grant of the cost of maintenance of Vani Vila Sagara and other river channels in the Mysore and Hassan Districts has been increased to 60 per cent in Government Order No.9981-91/ L. R. 55-18-9 dated 8th February 1919.(vide para 6).

NOTE —Contn. sheet.

W.D. 0263-4 GPB 0001 17—4—21

F: 1257
2.

I do not see therefore why the same procedure of meeting from State Funds, 60 per cent of the cost of maintenance, should not be made applicable to the Krishnarajasagara new channels also.

K. O. Seshaiar

Secretary to Government,
K. R. S. Works.

Bangalore,
30th October 1925.

22668
4/11/25.

Fin: Sec:)

The case is now forwarded with compliments to the Chief Electrical Engineer for favour of opinion on the following points:-

(1) The suitability of the form of account suggested by the Comptroller for exhibiting the capital and revenue transactions of the combined Concern.

(2) The point mentioned in para 77 of the above notes.

The favour of ~~an~~ early disposal is requested.

Vide CEE's D.O. reply No. C 734 dt. 13.11.25
Further reference made in D.O. No. 2711 dt. 16.11.25

Chief Electrical Engineers D.O. C. 7488 dt. 23-11-25

Serial No

98 The treatment of the Krishnarajasâgara and the Cauvery Electrical Works as one combined concern was approved in para 4 (iii) of Government order dated 1st September 1924, flagged P. So far as the estimates were concerned, this arrangement was given effect to commencing with the Budget for 1925-26.

99 How the Capital and Revenue Accounts of the combined project should be prepared, is a point which has been discussed with the Comptroller, the Special Officer, K.R.S., and the Chief Electrical Engineer. For facilitating discussion, I obtained from the Comptroller a sample form of account of the combined concern showing the results, in abstract for 1923-24 and have had it commented upon by the Special Officer and the Chief Electrical Engineer. A draft is put up issuing instructions on points of doubt raised by the Comptroller and on those arising out of the discussion of this matter with the Special Officer and the Chief Electrical Engineer.

100 The points of difference are noted below:

(1) The Special Officer considers that 60 per cent of the cost of maintenance of channels should be contributed from General Revenues as in the case of other river channels in respect of the channels above and below the Krishnarajasagara as well. For reasons stated in para 81A of the notes, I do not agree with him.

(2) The Chief Electrical Engineer wants the capital

Serial No

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J

Capital outlay on the Dam and ~~the~~ Reservoir to be merged with that on ~~the~~ Electrical Works: vide his D.O.s dated 13th and 21st November 1925. In the sample account prepared by the Comptroller for the year 1923-24, he had shown this outlay as part of Irrigation Capital expenditure. The Special Officer did not agree to this arrangement vide para 57 of the notes. For reasons stated in para 76 of the notes, I agree with him. For reasons similar to those urged by the Special Officer, the capital outlay on the Dam and ~~the~~ Reservoir should be shown independently of that on Electrical Works also. Two observations are made by the Chief Electrical Engineer on this point: namely (1) if shown separately, the Dam part of the Capital would show no return, and, (2) after the High Level Canals are ready, the capital outlay on the Dam and ~~the~~ Reservoir would be distributed between ~~it~~ (a) Irrigation, and, (b) Electrical Works. I do not think the first objection is correct or even arises. ~~The~~ Capital outlay will be shown ~~as~~ under three heads as pointed out in my D.O. dated 16th November 1925 to the Chief Electrical Engineer, but the return will be calculated only on the aggregate capital of which that on the Dam and ~~the~~ Reservoir is only one part. I do not think it is the intention to divide the Capital outlay on the Dam and ~~the~~ Reservoir into Irrigational and Electrical ~~Works~~ parts even after the High Level Canals are constructed. The recommendation of

Serial No

of the Krishnarajasagara Committee accepted by Government in their order dated 1st September 1924 is as follows:-

> "The only way in which the question can be solved is by treating both as one financial scheme, that is, by crediting the combined revenue to the total capital invested on both and calculating the percentage of return on the combined capital."

The position is quite clear from this extract. I do not therefore agree with the Chief Electrical Engineer in his view that the outlay on the Dam should be merged in the capital expenditure on Electrical Works for the present or that it should be divided between Irrigation and Electrical Works after the High Level Canals are ready.

DEWAN)
through)
Secretary, K.R.S.)

30/11/25

No remarks
2.12.25

Addl: Secy)
Dewan)

9.12.25

To Comptr
Spl Engr K.R.S
Secy P.W.D.
No 01 3406-710 d 11/12/25

Done
10/12/25

Issue instructions for the preparation of Cap & Rev accounts of K.R.S Hydro electric & Irrign works.

Note—Contn. Sheet

IN REPLY REFER TO
No. 6232
ENCLO.

40008

GOVERNMENT OF MYSORE.
ELECTRICAL DEPARTMENT.

OFFICE OF THE CHIEF ELECTRICAL ENGINEER,

Bangalore.....28th March.....*192*

(MYSORE INDIA.)

Telegraphic Address
GOMED

Codes used
BENTLEY'S LIEBER'S
A. B. C. 6TH EDITION
BUSINESS TELEGRAPH CODE

GENL. & E. SECTION
30. MAR. 1925
G. D. SECTION

3626

The Comptroller to the
Government of Mysore,
B a n g a l o r e.

Sir,

BUDGET 1925-'26.

Adverting to Government Order No.Fl-5278-80/GF 225-24-1 dated 27-3-1925, I have the honour to state that as the Receipts Budget and the Budget of Capita Expenditure of the Department for 1925-'26 have already been sent from this office on the 12th and the 28th instants respectively before the receipt of the above Government Orders, necessary changes in the headings may be kindly effected in your office.

Budget of Revenue Expenditure will be submitted with the altered headings on or before the due date.

I have the honour to be,
Sir,
Your most obedient servant,

Copy forwarded, with compliments, to the Financial Secretary to Govt. B8lore, for information.

BR-AK.

Chief Electrical Engineer.

28/3/25

Subd: with the file containing the G.O. referred to.
~~Received~~ ~~acknowledged~~ ~~and letter issued~~
The Comptr has received a copy of the letter.

Seen - may be filed with the
Connected papers

3/4

49715

C 241

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

In reply please refer to No. 1542/WAD I.

Br. H

10 JUN 1925

SECTT. SECTION

Comptroller's Office, Bangalore,

Dated the 9th June/92 5

The Secretary to Government,
Financial Department, Bangalore.

4862
H.

Sir,

In continuation of this office memo No. 1412 dated 7-5-1925 returning the unofficial file regarding the form in which the capital & Revenue accounts of Krishnaraja Sagara Hydro Electric & Irrigation works, should be maintained, I have the honour to state that the Financial Statement of the combined project is under compilation and it will be submitted before the close of this month. Delay is due to the incorporation of the accounts of the 3 channels above the reservoir.

I have the honour to be,
Sir,
Your most obedient servant,

Deputy Comptroller.

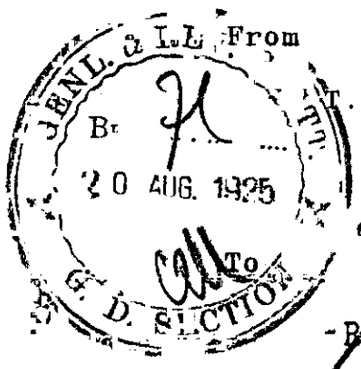
G.F. 218: 24-2

08441

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT
OF HIS HIGHNESS THE MAHARAJA OF MYSORE,

No. 196 WAD.I. 24/one.

Bangalore, dated 18th August 1925



From

T. SATYARAJ CHETTY, Esq., B.A.,
Comptroller to the Government of
His Highness the Maharaja of Mysore,
BANGALORE.

To

Rajakaryaprasaktha Diwan Bahadur
M.N.Krishna Rao, Esq., B.A.,
Financial Secretary to the Govt. of Mysore,
Bangalore.

Sir,

In continuation of my letter No.1542/WAD.I. dated the 8th June 1925, regarding the preparation of the draft Capital and Revenu Accounts for 1923-24 of the Krishnaraja Sagara Hydro-Electric and Irrigation Works, I have the honor to forward herewith the draft statement showing the capital outlay on the construction of the Krishnaraja Sagara Hydro-Electric and Irrigation Works, the Revenue derived therefrom, the working expenses, interest on capital outlay and the Financial results from the commencement to the end of the year 1923-24 and to state as follows:-

2. The above statement has been prepared on the lines suggested in para 6 of my letter No.920 WAD.I. dated the 20th January 1925 and the figures under each column are briefly explained.

Column 2:- The figures are those given in statement No.88 of the Finance and Revenue Accounts.

Column 3:- The Capital and Revenue Accounts for the Krishnaraja Sagara Works hitherto prepared accounted for the Capital Cost of the Dam Works and the two Low Level Canals only. The capital cost of the Chamraja Right Bank Channel and of the extensions of the Hemagere and Handagere Channels have now been incorporated in the above statement as already ordered in Government Order No.P.W.115-126-K.S.S.723-34 dated the 1st September 1924.

Column 4:- The figures in this column represents the indirect charges on the Irrigation Works only being the capitalised Abatemen

of

Land Revenue and leave and pension allowances. These charges are not adjusted in accounts as there is no provision in the sanctioned estimates These are however included in the statement to arrive at the correct financial results.

In the case of Hydro-Electric Works, no charges on account of indirect Charges are shown in this statement.

Columns 5 and 6:- No remarks are called for.

Columns 7 and 8:- The figures in these columns represent receipts derived from supply of power. Those in column 7 are the receipts credited in the books of the Hydro-Electric Works Section and those in column 8 the receipts credited in books of the Irrigation Works Section, the metho of distribution of revenue between the Krishnaraja Sagara and the Cauvery Power Scheme being as prescribed in Government Order No.Fl.1081-4-G.F. 217-16-2 dated 30th August 19 and these are shown separately as they appear as such in the published accounts but this procedure seems to be no longer necessary, as both the projects are now combined. The receipts on account of supply of power will be shown under only one column if Government agree to the above proposal.

Column 9:- The figures represent realisations on account of the portion of land revenue etc creditable to the Irrigation Works. These are credited now under 1 Land Revenue and the information is furnished by the Deputy Commissioner. The figures are incorporated in this statement.

The question of crediting such revenue to XXV Krishnaraja Sagara Hydro-Electric and Irrigation Works (Net Receipts) was referred by Government to this office un-officially in No.D.15/K.S.S. dated 26th November 1923 and reply was furnished by this office -Vide para 7 (a) of my letter No.920 WAD.I. dated 28th January 1925. No decision has yet been communicated in the matter.

Columns 10 and 11:- No remarks.

Column 12:- The figure includes, amongst others, charges on the maintenance of the channels connected with the project which is charged to 23 Irrigation and Irrigation Cess Fund in the proportion of 3 : 2 while the Irrigation Cess derived from these channels is credited to Irrigation Cess Fund. The question of crediting the Irrigation Cess to the Project and debiting the maintenance charges to the same requires

consideratior

consideration and orders of Government.

Column 13:- Please see remarks against column 4.

Columns 14 to 25:- No remarks.

3. It is requested that early orders on the proposals made in my letter No.920 WAD.I. dated 28th January 1925 may be kindly communicated.

I have the honor to be,
Sir,
Your most obedient servant,

J. Kelly Thomas
Comptroller.
R13 18.8.25

MSR

IN REPLY REFER TO
No. 734
Enclo

DC The unofficial file

GOVERNMENT OF MYSORE

ELECTRICAL DEPARTMENT

DIARY NO. 2050

—o—

OFFICE OF THE CHIEF ELECTRICAL ENGINEER,
Camp, Ootacamund, — 19
Bangalore 13th November 192 5
(MYSORE, INDIA.)

Telegraphic Address:
"GOMED"

Codes used
BENTLEY'S LIEBER'S
A. B. C. 6TH EDITION
BUSINESS TELEGRAPH CODE.

Dear Mr.Krishna Rao,

In returning herewith the file on the combination of the accounts of the Electrical Department and Krishnarajasagara Scheme, sent with your U.O.Fl.49-25 dated the 31st November 1925, I would like to suggest that the whole Capital cost of the Dam, including the reservoir, be classified as Electrical Expenditure, deducting therefrom the cost of the sluices for the Irrigation Canals which should be charged to Irrigation.

2. My reasons for making these recommendations are that the 7th Installation has been sanctioned subsequent to the date of the Government Order directing the combination of the two schemes. The storage of water will not be above 106' for a good many years to come and very little of the water stored will be used for irrigation until such time as the high-level canals have been completed and until the lands commanded thereunder have been converted from dry to wet cultivation. Until the high-level canals are completed and the land converted to wet cultivation, the principle portion of the water will be used for the generation of electric power.

Long before any considerable portion of the water is used for irrigation, the proposed Power Station at Krishnarajasagara will be, without doubt, in my mind, constructed and put into operation.

3. From the above, it is clear to my mind that

the principle uses of the Dam and the Reservoir will be for electrical purposes and not for irrigation and therefore the cost of the Dam and the Reservoir should be classified under Electrical Capital, of course, carried as a separate sub-head thereof.

4. I agree that the cost of the penstocks and gates installed in the Dam for the Power Station should be carried as an item under Electrical Capital in a separate sub-head similar to the Sivasamudram-Kolar Section, Bangalore Section and Mysore Section. That is, we should open out in the accounts a separate sub-head for the K.R.Sagara under Electrical and charge thereto the cost of the penstocks and gates, the Power Station itself and the Transmission Line from K.R.Sagara to Mysore. This latter item will be necessary for tieing the K.R.Sagara Power Station into the existing electrical system. I hope you will agree with me in this suggestion and if so, I would be glad if you would kindly issue the instructions for revising the form in which the accounts are to be prepared.

SGF-PRN.

Yours sincerely,

To

Rajakaryaprasaktha
Diwan Bahadur M.N.Krishna Rao, B.A
Financial Secretary to Government,
Bangalore.

The indirect charges, i.e., abatement of land revenue may be brought under the respective three heads noted above.

The above presentation, I think, makes the general position and the relations of the three parts of the scheme clear. Mr. Seshachar has asked for the expenditure on the Reservoir being separated from Irrigation Proper. Similarly, it may be separated from Electrical proper.

I agree with you that the cost of the pen-stocks and gates installed in the Dam for the Power Station should be treated as part of the electrical outlay but under a separate head as suggested by you.

I am herewith sending the Comptroller's abstract statement of Capital & Revenue Accounts for reference in connection with the modification which I have suggested above in respect of the exhibition of expenditure on the Reservoir. I am not sending the whole file to you as what you would like to refer to is, I believe, only the statement and not the file.

Yours sincerely,

S. G. Forbes, Esq., B.Sc., A.M.I.E.E.,
Chief Electrical Engineer in Mysore
(on leave).
"Westward Ho" Ootacamund,

Fl 2711/

16th November 5

Dear Mr. Forbes,

I have received your D.O.No.C.734 of the 13th instant regarding the manner in which the Capital & Revenue transactions of the combined concern should be exhibited.

You are quite ~~f~~ right in your observation that until the High Level Canals are ready, the use to which the Dam and ~~the~~ Reservoir are put is almost entirely electrical, their irrigational use being insignificant. But, I do not quite follow why you propose that the whole cost of the Dam and ~~the~~ Reservoir, excluding the cost of sluices for the irrigation canals, should be classified as electrical expenditure. The classification of Dam expenditure as purely ~~ir~~irrigational as has now been done by the Comptroller is not correct and this point has been noticed by Mr. Seshachar. The Dam is that part of the project which is common to both the electrical and irrigational branches. In view of this position, I think the best way of exhibiting its cost is to bring it under a separate column altogether ~~and~~ independently of the expenditure on the electrical and irrigational branches. I do not think it is fair to the Electrical Department that the whole cost of the Dam should be classified as electrical although for a long time to come the Dam would very largely serve the irrigational side of the scheme. I think an exhibition as under would be in harmony with facts as they now exist and as they will exist after the irrigational branch of the scheme is in full operation.

Capital Outlay.

Reservoir.	Electrical.	Irrigational (cost of sluices for the irrigation canals and the expenditure on the present canals below and above the Reservoir.)

IN REPLY REFER TO
No. C.748
Enclo One Statement

GOVERNMENT OF MYSORE
ELECTRICAL DEPARTMENT NO. 2051

OFFICE OF THE CHIEF ELECTRICAL ENGINEER,
Westward Ho, Ootacamund
Bangalore 21st November 1925.
(MYSORE, INDIA.)

Telegraphic Address:
"GOMED"

Codes used
BENTLEY'S LIEBER'S
A. B. C. 6TH EDITION
BUSINESS TELEGRAPH CODE.

Dear Mr.Krishna Rao,

I have your D.O.No.Fl.2711 dated the 16th instant and in reply thereto would say that my reasons for proposing that the whole cost of the Dam and Reservoir, exclusive of the cost for the sluices for the irrigation canals, be classified as Electrical expenditure, are becuase the Dam and Reservoir will, for a good many years to come, be used almost entirely for electrical purposes and secondly because if the capital cost of the dam and reservoir is classified as Electrical expenditure, the percentage return on the capital expenditure for irrigation purposes, after this allocation is made, will be much higher, while the percentage return on the capital expenditure under Electrical will be considerably reduced. The return on irrigation expenditure and electrical expenditure will then more nearly represent the true financial situation.

I am not in favour of classifying the capital expenditure under 3 heads of Irrigation, Dam and Electrical. If this is done, we will have a return from Irrigation expenditure and a return from Electrical expenditure, but no return on Dam expenditure. The 3 classes of expenditure may be carried in the books, but the Dam and Reservoir expenditure, exclusive of irrigation head sluices, should be carried as a part of Electrical Capital and the net profits of the Electrical Department should be based on Electrical plus Dam and Reservoir expenditures.

The above may be summed up that my idea in making the suggestion was that we should not have any item of capital expenditure which does not bear a return and I believe that this suggestion will show more nearly the return on the two expenditures. After the high-level canals are constructed and irrigation thereunder has been developed, the capital cost of the Dam and Reservoir can be allocated definitely and finally to Irrigation and Electrical in the proportion in which the two undertakings use the water from the reservoir. Until the irrigation under the high-level canals has been developed, the cost of the Dam and Reservoir, exclusive of Irrigation sluices, should, in my opinion, be classified as Electrical expenditure, carried, however, under a separate sub-head, so that the proper allocation can be made after the irrigation is developed.

I agree with you in the manner in which the accounts should be kept otherwise than with reference to the capital cost of the Dam and Reservoir. I am returning herewith the form.

Yours sincerely,

SGF-PRN

Rajakaryaprasaktha
Dewan Bahadhur
M.N.Krishna Rao, Esq.,B.A.,
Financial Secretary to Govt.,
Bangalore.

G.f. 225-24-3.

Proceedings of the Government of H.H. the Maharaja of Mysore.

H 3406-10/ Dated 14.12.25

R e a d.-

Correspondence ending with letter No.C.748 dated 23rd November 1925 from the Chief Electrical Engineer regarding the Capital and Revenue Accounts of the Krishnarajasagara Hydro-Electric and Irrigation Works as required by para 4 (iii) of G.O.No.P.W.115-126/K.S.S. 723-734 dated 1st September 1924.

Order No.

Dated, Bangalore, the 1925.

Government are pleased to issue the following instructions for the preparation of the Capital and Revenue Accounts of the combined conern:-

Capital outlay.- This may be shown under three heads: (i) Reservoir Works, (ii) Electrical Works, and, (iii) Irrigation Works. The cost of the penstock and gates installed in the Dam for the KRS Power Station may be brought under (ii) Electrical Works. The cost of ~~the~~ sluices for ~~the~~ irrigation canals may be brought under (iii) Irrigation Works.

Gross Receipts.- These may be shown under two heads: (i) Electrical, and, (ii) Irrigational.

Receipts creditable to the project but collected with Land Revenue. The items of revenue which are collected with land revenue but which should be credited ~~belong~~ to this project

project should be settled by the Special Officer in consultation with the Revenue Commissioner. Satisfactory arrangements have to be made to ensure that the information supplied in this respect by the District Revenue authorities is correct. It is also ~~desirable~~ necessary to arrange for a periodical audit of the connected accounts kept in the Revenue Department to see that all the revenue attributable to the project is realised in time and transferred to its Revenue Account. The Special Officer is requested to submit to Government a n early report formulating proposals for the settlement of these points. In the meantime, the figures furnished by the Land Acquisition Officer in respect of irrigation revenue may be incorporated in the accounts a n d altered if necessary, after orders are passed upon the report referred to above.

Irrigation Cess collected on lands under channels above and below the Reservoir.- This cess will be credited to the Revenue Account of the Concern, which will meet the expenditure on ~~the~~ maintenance of the channels. The project being a productive work, Government do not consider it necessary to make any contribution from ~~the~~ General Revenues towards either work outlay or establishment charges of these channels.

Working Expenses.- The maintenance charges of the Dam and Channels may be shown in separate columns.

Interest.- Interest on the different parts of capital need not be separately calculated and it is enough if only one column is provided for showing the interest on total capital.

Contribution Receipts.- These receipts will be shown in reduction of capital outlay on the respectice channels in the subsidiary account and the net result carried to the abtract statement.

2. The Comptroller is requested to have the accounts for 1925-26 compiled very early.

30.11.25

Financial Secretary to Govt.

To

The Comptroller to Govt.
" Secretary to Govt.,K.R.S.Works
" Special Officer, K.R.S.Works.
" Chief Electrical Engineer.
" Revenue Commissioner in Mysore

Proceedings of the Government of His Highness
the Maharaja of Mysore.

R e a d :-

Correspondence ending with letter No.C.748 dated 23rd November 1925 from the Chief Electrical Engineer regarding the Capital and Revenue Accounts of the Krishnarajasagara Hydro-Electric and Irrigation Works to be compiled as required by para 4 (iii) of Government order No.P.W.115-126/K.S.S.723-734 dated 1st September 1924.

Order No. Fl.3406-10/ G.F.225-24-3

Dated, Bangalore, the 14th December 1925.

Government are pleased to issue the following instructions for the preparation of the Capital and Revenue Accounts of the combined concern :-

Capital Outlay.- This may be shown under three heads : (i) Reservoir (ii) Electrical Works, and, (iii) Irrigation Works. The cost of the penstock and gates installed in the Dam for the Krishnarajasagara Power Station may be brought under (ii) Electrical Works. The cost of of sluices for irrigation canals may be brought under (iii) Irrigation Works.

Gross Receipts.- These may be shown under two heads: (i) Electrical and (ii) Irrigational.

Receipts creditable to the project but collected with Land Revenue.

The items of revenue which are collected with land revenue but which should be credited to this project should be settled by the Special Officer in consultation with the Revenue Commissioner. Satisfactory arrangements have to be made to ensure that the information supplied in this respect by the District Revenue authorities is correct. It is also necessary to arrange for a periodical audit of the connected accounts kept in the Revenue Department to see that all the revenue attributable to the

project is realised in time and transferred to its Revenue account. The Special Officer is requested to submit to Government an early report formulating proposals for the settlement of these points. In the meantime, the figures furnished by the Land Acquisition Officer in respect of irrigation revenue may be incorporated in the accounts and altered if necessary, after orders are passed upon the report referred to above.

Irrigation Cess collected on lands under channels above and below the Reservoir.

This cess will be credited to the Revenue Account of the Concern, which will meet the expenditire on maintenance of the channels. The project being a productive work, Government do not consider it necessary to make any contribution from General Revenues towards either work outlay or establishment charges of these channels.

Working Expenses.- The maintenance charges of the Dam and Channels may be shown in separate columns.

Interest.- Interest on the different parts of capital need not be separately calculated and it is enough if only one column is provided for showing the interest on total capital.

Contribution Receipts.- These receipts will be shown in reduction of capital outlay on the respective channels in the subsidiary account and the net result carried to the abstract statement.

2. The Comptroller is requested to have the accounts for 1925-26 compiled very early.

Sd. M.N.Krishna Rao.

Financial Secretary to Government.

To

The Comptroller, Mysore Government.
The Secretary to Government, Krishnarajasagara Works.
The Special Officer, Krishnarajasagara Works.
The Chief Electrical Engineer in Mysore.
The Revenue Commissioner in Mysore.

MK.2.